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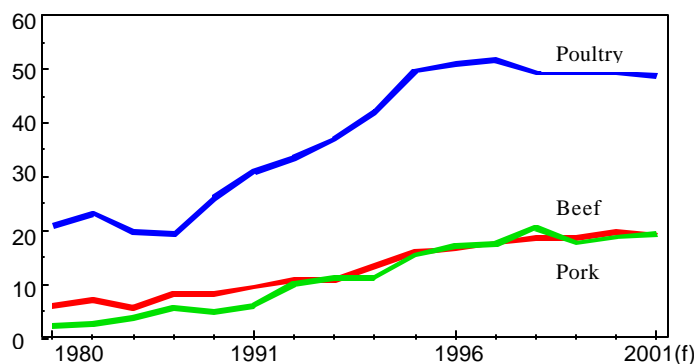
Poultry Programs

Market News Branch

United States

Over the last 15 years, the United States share of world meat exports has increased significantly. The increased exports are a partial result of the negotiation of market access agreements with other countries in recent years. The market access agreements have allowed a more liberalized trading environment.

U.S. poultry exports are expected to dominate the world market in 2001 with 48 percent of the world trade. The estimate is down marginally from the 2000 estimate. Stronger competition from other exporting nations has limited the growth of U.S. market share in recent years. U.S. beef is expected to obtain a 19 percent share of world beef exports and U.S. pork is expected to increase its share slightly to 19 percent of world pork exports.



(f) Forecast

Some of the main competitors for U.S. Poultry include the countries of Brazil and China. Brazil's production and exports continue to grow at a fast pace as the devalued real provides an advantage in the market place. The European Union continues to lose market share as an exporter as more of its production is consumed domestically. Thailand poultry exports appear to have stabilized, however, they have shifted to exporting more value-added items. Inexpensive feed grain prices and an efficient industry are expected to keep U.S. poultry exports competitively priced for 2001.

U.S. exports of total poultry meat are up 19 percent in volume terms and 14 percent in value terms so far in 2000. Excluding shipments to Russia and the Baltic states of Latvia and Estonia, exports increased 12 percent and 8 percent, respectively, on volume and value bases. Asian countries, particularly South Korea, have increased purchases, and shipments are also up to NAFTA countries. The recovering economies in Asia contributed to the increased poultry demand and consumption in China and other Asian countries, with the exception of Hong Kong and Japan. Even though domestic production has increased, demand has outpaced production growth and has resulted in increased imports. Total poultry exports for the year are expected to be up 5% from last year at 2.72 million tons for 2000 and climb another 1 percent for 2001.

Russian Imports have increased significantly since April when it became clear how the government was handling ports of entry and

when the duty rates were unified. Another reason poultry demand has increased in Russia was that the economy had benefited from the rising of world oil prices. The rise in world oil prices has also benefited Mexico's economy resulting in gains that may have helped increase imports.

U.S. broiler meat exports are making a strong comeback in 2000. Broiler meat exports are estimated to be up almost 7 percent due in part to a surge in purchases by both the Russia/Baltics and China/Hong Kong. While the pace of broiler export growth is expected to slow the rest of 2000, the year's total should reach a record 5.2 billion pounds. Slower overall growth is expected in 2001 as shipments level off. Larger shipments to Russia are likely, but declining shipments through Latvia and Estonia will probably offset most of the increase.

Exports to the Russia/Baltics and China/Hong Kong areas are up 18 and 15 percent, respectively, for the first seven months of 2000 over the same period last year. The rate of growth to China/Hong Kong is expected to slow the remainder of 2000, but remain a strong growth market into next year. Other countries in Asia, particularly South Korea, have also increased their imports from the U.S.

Exports to countries in North America have also increased when compared to the same period last year. Broiler exports to Mexico were up 19 percent and up 27 percent to Canada. Exports to Mexico are expected to remain strong for the remainder of 2000 and into 2001. Russia, Mexico, and China/Hong Kong, together accounted for 65% of broiler exports the first half of the year.

Source: USDA/Foreign Agricultural Service, World Outlook Board

U.S. And Jordan Sign Free Trade Agreement

The U.S.-Jordan Free Trade Agreement (FTA), according to U.S. Trade Representative Charlene Barshefsky, will not require either country to adopt new laws, but require enforcement of current laws. The FTA includes separate substantive sets of provisions in the text concerning trade and the environment, trade and labor, and electronic commerce. Other provisions address intellectual property rights protection, balance of payments, rules of origin, safeguards and procedural matters such as consultation and dispute settlement. Because the United States already has a Bilateral Investment Treaty with Jordan, the FTA does not include an investment chapter.

The free trade agreement includes the elimination of virtually all tariffs on industrial and farm products within 10 years. Tariff reductions are in 4 stages: current tariffs of less than 5 percent will be phased out in 2 years, tariffs that are between 5 and 10 percent will be eliminated in 4 years, tariffs that are between 10 and 15 percent will be gone in 5 years, and those that are now more than 15 percent will be eliminated in 10 years.

The agreement is only the fourth free trade agreement the United States has negotiated. The other countries the U.S. has negotiated a free trade agreement with are Israel, Canada and Mexico.

Source: Office of the United States Trade Representative

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending Oct 21, 2000	Year-To-Date			
	2000	1999/1	2000	1999
Liquid	292	84	6,106	11,263
Frozen	39	0	198	6
Dried	37	0	496	504
Total	368	84	6,800	11,773

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending Oct 21, 2000	Year-To-Date			
	2000	1999/1	2000	1999
Liquid	97	12	4,322	3,774
Frozen	0	11	711	454
Dried	0	0	738	169
Total	97	23	5,771	4,397

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending Oct 21, 2000	Year-To-Date			
	2000	1999/1	2000	1999
Jumbo	0	4	2,161	1,135
Extra Large	993	1,722	42,898	37,257
Large	3,114	5,064	123,467	123,425
Medium	1,050	960	29,246	41,024
Ungraded	15,000	14,610	333,484	527,753
Misc	750	2,223	10,137	10,190
Total	20,907	24,583	541,393	740,784

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

CENTRAL REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 27-OCT-00

CHICKEN PRICES

	-----FROZEN-----		-----FRESH-----	
	FOB	DELIVERED	FOB	DELIVERED
CONTENT	DOCK		DOCK	
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				
0 pounds, this includes 0 pounds for export shipment.				

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	20.00	-	-	14.50
WTD AVERAGE	20.00			14.50
102,000 pounds, this includes 0 pounds for export shipment.				
15-20%				
RANGE	16.00-18.00	17.50	10.75-13.50	13.00-14.25
WTD AVERAGE	17.01	17.50	12.32	13.75
1,271,600 pounds, this includes 496,400 pounds for export shipment.				
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				
0 pounds, this includes 0 pounds for export shipment.				
* INCLUDES THE FOLLOWING STATES: AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI				

LIVE POULTRY SLTRD UNDER INSPECTION W/E 21-Oct-00 (PRELIMINARY)**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,463	1,813	3,276
LAST WEEK	1,674	1,487	3,161
SAME WEEK YR AGO	1,952	1,612	3,564
TO-DATE/2000	79,795	61,203	140,998
TO-DATE/1999	87,528	59,402	146,930

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	347	6	353
LAST WEEK	293	9	302
SAME WEEK YR AGO	408	43	451
TO-DATE/2000	19,369	310	19,679
TO-DATE/1999	19,447	247	19,694

SOURCE: AGRICULTURE CANADA, POULTRY DEVELOPMENT DIVISION

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	1,810	1,819	3,629
LAST WEEK	1,967	1,496	3,463
SAME WEEK YR AGO	2,360	1,655	4,015
TO-DATE/2000	99,164	61,513	160,677
TO-DATE/1999	106,975	59,649	166,624

EASTERN REGION PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND FOR DELIVERY WITHIN TWO WEEKS. 27-OCT-00

CHICKEN PRICES

	-----FROZEN-----		-----FRESH-----	
	FOB	DELIVERED	FOB	DELIVERED
CONTENT	DOCK		DOCK	
15% OR LESS				
RANGE	18.00	-	-	-
WTD AVERAGE	18.00			
240,000 pounds, this includes 0 pounds for export shipment.				

CHICKEN PRICES, WITH ADDED SKIN

15% OR LESS				
RANGE	14.50-19.00	16.50	18.00	17.00
WTD AVERAGE	16.66	16.50	18.00	17.00
848,000 pounds, this includes 248,000 pounds for export shipment.				
15-20%				
RANGE	13.00-17.00	15.00-20.75	12.00-15.00	14.00
WTD AVERAGE	15.11	19.82	13.71	14.00
1,813,000 pounds, this includes 973,000 pounds for export shipment.				
20% OR MORE				
RANGE	-	-	-	13.00
WTD AVERAGE				13.00
200,000 pounds, this includes 0 pounds for export shipment.				
INCLUDES THE FOLLOWING STATES: CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV				

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT

FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS
OCTOBER 27, 2000

Undertone steady to weak on fresh tom breast meat with lower trending offering prices noted for November-December shipments. Destrapped tenderloins and frozen tom breast meat undertone about steady for light to adequate offerings. The undertone on scapula and wing meat at least steady for the limited offerings. White meat demand light to fair mostly light on the balance of items. Bulk parts undertone barely steady on hen necks with offers noted at 13 cents delivered. Tom full-cut wing undertone steady with offerings not as tight when compared to previous weeks and ranged light to adequate. Tom drum undertone steady to barely steady with offerings in the Central Region not held with as much confidence as other parts of the country. Inquiry slow to fair. Trading centered on a fair volume of tom drums for export, balance light. Frozen mechanically separated 15-20% turkey traded at 20-20.25 cents delivered for pet foods.

FRIDAY, OCTOBER 27, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	28.50-30.00		29.65	400	31.40	1,768
WINGS FULL-CUT - TOMS						
WINGS, V-TYPE, TOM		F	25.40	520		
TAILS	22.00		22.00	80	22.00	80
MECHANICALLY SEPARATED 2/		R	21.00	52	21.00	162
THIGH MEAT - FROZEN		R	72.06	640	71.18	1,410

THURSDAY, OCTOBER 26, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	31.00		31.00	120
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	25.40	520
TAILS		F	27.00	80
MECHANICALLY SEPARATED 2/	21.00		21.00	52
THIGH MEAT - FROZEN	70.00-73.00		72.06	640

WEDNESDAY, OCTOBER 25, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	32.00		32.00	1,248
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	25.40	520
TAILS		F	27.00	80
MECHANICALLY SEPARATED 2/	21.00		21.00	110
THIGH MEAT - FROZEN	70.00-73.00		70.88	250

TUESDAY, OCTOBER 24, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	30.68	704
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	25.40	520
TAILS		F	27.00	80
MECHANICALLY SEPARATED 2/		F	20.00	160
THIGH MEAT - FROZEN	71.00-72.00		71.67	240

MONDAY, OCTOBER 23, 2000**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	30.68	704
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		F	25.40	520
TAILS		F	27.00	80
MECHANICALLY SEPARATED 2/		F	20.00	160
THIGH MEAT - FROZEN	68.50-70.00		69.00	280

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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